

BOARD OF FINANCE

March 18, 2009

Minutes of the Regular Meeting of the Board of Finance held at 6:30 P.M., on Wednesday, March 18, 2009.

Members Present: First Selectman McCarty, Mr. Doheny, Mr. Volain, Mr. Hallahan, Mr. Piccirillo, Ms. Brown, Mr. Monico

Also Present: Director of Finance/Administration J. Michael Betz
Assistant Director of Finance Edward J. Swinkoski

The following materials were either mailed to the members prior to this meeting or distributed at this time.

1. Agenda – March 11, 2009
2. Minutes of Regular Meeting held on February 25, 2009
3. February 28, 2009 - Report of Budget
 - Special Funds
 - Report of Revenue
 - Board of Education Accounting
4. Draft – Resolutions (3) FY 2009-2010 Budget and Public Hearing
5. Library Union Contract
6. FY 09-10 Budget dated March 6, 2009
7. 2008 Grand List Net Net Taxable, PRE-BAA dated 2/4/09
8. 2008 Grand List Net Net Taxable, PRE-BAA dated 3/16/09
9. FY 09-10 Budget dated March 18, 2009
10. Town Reductions FYE 2009/2010
11. Legal Account Breakdown
12. Letter from Town Attorney dated March 17, 2009, Legal Budget

MINUTES

After a brief discussion of the Minutes of the Regular Meeting held on February 25, 2009, Mr. Piccirillo moved their acceptance, seconded by First Selectman McCarty.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

OLD BUSINESS

None.

NEW BUSINESS

STATE FUNDING

State Representative Steven Fontana made a presentation to the Board of Finance about the State Budget. He handed out a presentation packet to Board members. Mr. Fontana said that he wanted to enlighten the Board and the citizens of North Haven about what it happening at the Capitol and how it will impact North Haven. Mr. Fontana then explained in detail how the State has gotten into this financial position. Mr. Fontana advised the Board to be very cautious and conservative in preparing the Town's budget and to be prepared for the possibility of diminution of state aid. Mr. Fontana stated that he clearly understands that failing to provide state aid to

municipalities will result in increased taxes to residents. Further discussion followed with Board members asking several questions.

REPORT OF BUDGET, SPECIAL FUNDS, REVENUE AND BOARD OF EDUCATION
ACCOUNTING FEBRUARY 28, 2009

Chairman Volain made a motion to dispense with the review of the reports so that the Board could focus on the budget.

Seconded by, Mr. Doheny.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

FINALIZE FY 2009-2010 BUDGET

Mr. Volain began the discussion stating that \$3,041,390 has been cut from the original budget.

First Selectman McCarty stated that the reductions were hard thought and that it was a good beginning but more work needs to be done on this budget.

Mr. Doheny suggested that the Board go over some of the reductions. The Board then had a lengthy discussion most of which focused on the reductions to the insurance lines (liability, auto, property and Worker's Compensation) and the pension accounts.

Mr. Betz said that he is meeting with the Segal Company next week to go over the pension accounts. Mr. Doheny said that he would like to attend the meeting.

Mr. Volain emphasized that there will be time to adjust figures in the budget if we need to increase/decrease current line items.

Mr. Monico questioned the drastic cut to the gas/oil/diesel line in the Streets/Roads budget. He suggested it be increased to \$120,000. Mr. Volain agreed and said he would also check with Director of Public Works.

Mr. Doheny suggested that the Town Treasurer's salary be decreased. He said that the second and third selectman have taken reductions in their salary and the treasurer should be on par with the selectmen.

Mr. Volain said that while he understands Mr. Doheny's concern, he felt that the Board does not have the right to make an elected official reduce his salary. The Selectmen were very generous and voluntarily took a much lesser salary.

Mr. Monico asked about the status of the SAFER grant. Mr. Volain explained that until it passes, we cannot put it in the budget.

First Selectman McCarty explained that the SAFER grant will be placed on the ballot of the budget referendum.

Mr. Volain said that if the state slashes funding to the Town, the Department Heads will need to prepare a 1-2% decrease to their budgets.

Mr. Doheny asked if the board was going to discuss the proposed revenue. Chairman Volain pointed out that the vote was on expenses only. Mr. Doheny said he understood, but asked to touch on a few of the revenue lines. He started by mentioning he had emailed Mr. Volain with an information request with respect to arrears taxes. He reiterated his request for a breakdown of past due real estate, personal property and automobile taxes by grand list year.

Mr. Doheny then mentioned that the proposed revenues included \$1,875,000 of unrestricted fund balance transfers, \$1,200,000 from CRRA and another \$650,000 special revenue fund transfers for a total of \$3,725,000 in one time revenues. Based on the suggested budget this would bring the town's fund balance down to approximately 5.0%. Furthermore, the \$3,725,000 in revenue most likely cannot be replaced next year causing a built in increase to next year's budget of at least 1.3 mills.

Mr. Doheny then asked about the CRRA Fee Tipping Stabilization Fund. First Selectman McCarty explained that the Town has asked for its money back from this fund and expects to get \$2.4 million by the end of the next fiscal year. First Selectman McCarty said she would have a better idea of the actual amount after April 10th.

Mr. Volain stated his opinion on the fund balance. He felt that the Town's fund balance was right where it should be. He said that if we don't use the fund balance, we will be forced to raise taxes. We should try and keep taxes down since so many people have lost their jobs. He said that the fund balance is the public's money.

Chairman Volain then moved the following:

RESOLVED: That the Board of Finance recommends to the Public Hearing a FY 2009-2010 Town Government Budget of \$38,046,519.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

Chairman Volain then moved the following:

RESOLVED: That the Board of Finance recommends to the Public Hearing a FY 2009-2010 Board of Education Budget of \$ 43,505,647.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

Chairman Volain then moved the following:

RESOLVED: That a FY 2009-2010 Budget recommendation of \$81,552,166. be presented to the Public Hearing to be held on Tuesday, April 7, 2009, with the Town Government Budget to be presented first, beginning at 7:00 P.M., followed by the Board of Education Budget, to begin no later than 8:00 P.M., with general discussion to follow as may be warranted.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

PUBLIC COMMENT

Discussion followed for approximately 35 minutes with several residents asking questions and making recommendations/suggestions.

There being no further business to discuss, Chairman Volain moved to adjourn the meeting at 9:15 PM, seconded by Mr. Piccirillo.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		